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Attorneys for Respondent Oblio Telecom, Inc.

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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AT&T CORP.,

Petitioner,

-against-

OBLIO TELECOM, INC.,

Respondent.

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Case No. 07 Civ. 7676 (DLC)

**RESPONDENT OBLIO TELECOM,  
INC.'S ANSWER TO AT&T CORP.'S  
PETITION TO CONFIRM PARTIAL  
FINAL ARBITRATION AWARD**

Respondent Oblio Telecom, Inc. ("Oblio"), through its attorneys, Sichenzia Ross Friedman Ference LLP, hereby responds to petitioner AT&T Corp.'s ("AT&T") Petition to Confirm Partial Final Arbitration Award (the "Petition").

Respondent denies each and every allegation in the Petition, except as otherwise answered as follows:

**PARTIES, JURISDICTION AND VENUE**

1. Admits the truth of the allegations set forth in paragraph 1 of the Petition.
2. Admits the truth of the allegations set forth in paragraph 2 of the Petition.
3. Admits the truth of the allegations set forth in paragraph 3 of the Petition.
4. Admits the truth of the allegations set forth in paragraph 4 of the Petition.

**BACKGROUND**

5. Admits the truth of the allegations set forth in paragraph 5 of the Petition.
6. Admits the truth of the allegations set forth in paragraph 6 of the Petition.
7. Admits the truth of the allegations set forth in paragraph 7 of the Petition.
8. Admits the truth of the allegations set forth in paragraph 8 of the Petition.
9. Admits that by Order dated May 14, 2007, the Arbitrator ordered a partial stay on the claims Oblio raised in its Demand, but not on AT&T's counterclaims, but denies the other allegations set forth in paragraph 9 of the Petition.
10. Respectfully refers the Court to the Stipulation of Undisputed Facts dated June 8, 2007, and attached as Exhibit 3 to the Affidavit of Lynn A. Dummett, dated August 27, 2007, and filed with the Court in this action (the "Dummett Affidavit").
11. Respectfully refers the Court to the Partial Final Award of Arbitrator Walter G. Gans, dated July 24, 2007, in the arbitration before the American Arbitration Association, captioned Oblio Telecom, Inc. v. AT&T Corp., No. 13 494 Y 02732 06 (the "Partial Final Award"), and attached as Exhibit 1 to the Dummett Affidavit.
12. Respectfully refers the Court to the Partial Final Award.
13. Denies the truth of the allegations set forth in paragraph 13 of the Petition, except that it admits that by letter to Oblio dated July 30, 2007, AT&T demanded payment from Oblio in the amount of \$7,240, 087.26, together with pre-award interest calculated as prescribed in the Partial Final Award, in the amount of \$484,446.59, for a total amount of \$7,724,533.85, and that to date, Oblio has not paid any portion of the amount due pursuant to the Partial Final Award. Oblio specifically denies that it has failed to comply with the Award based on exercising its right to oppose confirmation of the Award and cross-motion to vacate the Award.

**REQUEST FOR CONFIRMATION OF THE AWARD AND OTHER RELIEF**

14. As they consist of conclusions of law, no response is required to the allegations contained at paragraph 14 of the Petition.

15. Admits that AT&T filed its petition for confirmation of the Partial Final Award within one year, admits that AT&T has filed its petition in the federal district within which the Partial Final Award was made, and admits that AT&T has arranged to serve Oblio with notice of its petition to confirm the Partial Final Award, and otherwise states that as they consist of conclusions of law, no response is required to the allegations contained at paragraph 15 of the Petition.

16. Denies the allegation that none of the exceptions set forth in Section 10 of the Federal Arbitration Act are present here, and otherwise states that as they consist of conclusions of law, no response is required to the allegations contained at paragraph 16 of the Petition.

17. Admits that the Arbitrator issues a Partial Final Award in AT&T's favor, denies the allegation that the Award is subject to summary confirmation, and otherwise states that as they consist of conclusions of law, no response is required to the allegations contained at paragraph 17 of the Petition.

18. Respondent denies the allegations set forth in paragraph 18 of the Petition.

**AFFIRMATIVE DEFENSES**

**AS AND FOR A FIRST AFFIRMATIVE DEFENSE**

Petitioner fails to state a claim upon which relief can be granted.

**AS AND FOR A SECOND AFFIRMATIVE DEFENSE**

The Partial Final Award should be vacated pursuant to 9 U.S.C. § 10 (a)(4).

Dated: New York, New York  
October 5, 2007

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